

DEAR SIR, -

The
occupied my
the further
spirit through
promotion of
resources, and
to the St. L.
all the town

The
heart of a c
valley of th
white pine
industry.
extensive a
serpentine,
area a large
regard to th
best condi
climate is u
temperate

The C
the Ottawa
of New En
facturing fo
frontage ;
nication w

To sp
duction of
letter beyo

That
Montreal,
the impor

While
activities o
Not least
within our
munication
and the
great valu

4

The Ottawa River navigation has met with some slight opposition arising from the mistaken idea that it was being urged as a competitor of the St. Lawrence Canals, intended to supplant them, or to do away with the necessity for their enlargement. Nothing could be further from the attitude of its promoters, who do not ask that the St. Lawrence Canals be deprived of one cent of public money which should rightfully go to them.

Under the financial proposals made by the Montreal, Ottawa and Georgian Bay Canal Company, until the canals are completed, approved, and in operation the only responsibility the Government are asked to assume is that of trustee of the Company's money to be used in paying interest to bondholders as the same falls due. After that period, say six years from date, the Government will be asked for an annual bonus of say \$250,000. In the meantime every step of the work will have been performed under direct supervision of the Government Engineers, and to their satisfaction. The time when the Government of Canada can be called upon to defray any part of the expense of construction, whether the canals are a financial success or otherwise, is under the arrangement deferred for twenty-five years. At the end of that period (or sooner if the public interest so demands) they may assume control of the works by paying for them at a valuation to be determined. In the meantime the deepening of the St. Lawrence Canals will have been long completed.

This undertaking should be carried on by a syndicate of capitalists for the reason that the Government, while giving its moral support, will then have a free hand to carry on other needed public works. Also because construction work can be more rapidly and cheaply done by a Company; and because the public interests can be effectually guarded by having plans of all works subject to Government approval, and all payments to contractors made only upon the joint certificates of Government and Company Engineers.

In our opinion, work on the Ottawa as well as on the St. Lawrence ought to be pushed vigorously and at once. The Americans are keenly alive to the value of handling the enormous traffic, and are making every effort to retain the whole of it for United States carriers to United States ports. While to this end they contemplate a deep waterway in the future, they are not neglecting to deepen the Erie barge canal to nine feet. And, following their example, we ought to neglect no advantage that we possess. If they are beforehand with us it will be a difficult matter for Canada to retain that supremacy in the carrying trade of the northern part of this continent that Nature has fitted her to achieve. The traffic to which we are fairly entitled by our position is sufficient already to fully employ both the Ottawa and St. Lawrence routes. These latter are really complementary, instead of competitive, both having Montreal for their terminus. The true rivalry is with American routes carrying trade to New York.

The shortness of the Ottawa route, and the very low rates at which freight can be carried by it, ensure that as soon as opened it will gain and bring to Montreal and Quebec a share of the through traffic that now goes to New York. Its local traffic also will be important and far in excess of that of the St. Lawrence Canals. And every ton of through freight moved on the Ottawa River as well as every ton of increased production of the Ottawa Valley seeking export, will necessarily go to Montreal or Quebec for an outlet, not being liable to be diverted at numerous points, like the traffic on the St. Lawrence Canals, which experiences exhaustive drains at Buffalo, Oswego and Ogdensburg.

There is reason to believe that \$15,000,000 will cover the actual cost of construction if done by a company. That is not one-tenth of the cost of a ship canal for ocean-going vessels even by the St. Lawrence to the Lakes, and not more than one-twentieth what it would cost for such a canal by the cheapest route between the Lakes and New York. Granting even that at some future time ocean-going vessels will pass by Montreal, and take on their cargoes at Toronto, Chicago, Duluth and Fort William, for the present and for many years to come the enlarged St. Lawrence Canals and the Ottawa waterway will meet all the needs of Canadian commerce at a very moderate expenditure.

The whole matter resolves itself into one or two questions:—If this waterway, through the heart of our own country, owing to present favorable conditions, can be constructed without interference with other needed public works, and without recourse to the public treasury, except to the extent of a small annual bonus

after completion
effort to obtain
Montreal and
developing new

I trust you
addressing you

Whether
reply.

after completion, and can be completed in a short time at comparatively slight cost, is it worth making an effort to obtain? Would such a feeder and alternative through route tend to increase the commerce of Montreal and Quebec and to benefit the great St. Lawrence waterway? Are its prospective effects in developing new territory and increasing production and national wealth, worth trying to secure?

I trust you will favor me in a few words with your impression of the enterprise. I take this means of addressing you being desirous of obtaining at first hand the views of practical and prominent business men.

Whether you agree with me as to the importance of this waterway or not, I hope to have an immediate reply.

Respectfully yours,

W. Lewis Stewart
~~Chairman of Committee~~